

**Enrolled Minutes of the Twelfth Regular or Special Meeting  
For the Twenty-Eighth Highland Town Council  
Regular Meeting  
Monday, May 23, 2016**

*Study Session.* The Twenty-Eighth Town Council of the Town of Highland, Lake County, Indiana met in a study session preceding the regular meeting on Monday, May 23, 2016 at 6:46 O'clock P.M. in the regular place, the meeting chambers of the Highland Municipal Building, 3333 Ridge Road, Highland, Indiana.

**Silent Roll Call:** Councilors Bernie Zemen, Mark Herak, Dan Vassar, Steve Wagner and Konnie Kuiper were present. The Clerk-Treasurer, Michael W. Griffin was present to memorialize the proceedings. A quorum was attained.

**General Substance of Matters Discussed.**

1. The Town Council reviewed and discussed the agenda of the imminent regular meeting.
2. The Town Council and Councilor Vassar discussed resident concerns recently communicated about parking in the residential section near Sheppard Park associated with soccer leagues. The discussion included whether to mark the curbs with yellow paint or to pass an ordinance to restrict parking in the neighborhood to residents only.

The study session ended at 7:05 O'clock p.m.

*Regular meeting.* The Twenty-Eighth Town Council of the Town of Highland, Lake County, Indiana met in its regular session on Monday, May 23, 2016 at 7:06 O'clock P.M. in the regular place, the plenary meeting chambers of the Highland Municipal Building, 3333 Ridge Road, Highland, Indiana.

The Town Council President, Bernie Zemen presided. The Town Clerk-Treasurer, Michael W. Griffin, was present to memorialize the proceedings. The meeting was opened with Councilor Steve Wagner reciting the Pledge of Allegiance to the Flag of the United States of America and offering a prayer.

**Roll Call:** Present on roll call were Councilors Bernie Zemen, Mark Herak, Dan Vassar, Steve Wagner and Konnie Kuiper. The Clerk-Treasurer, Michael W. Griffin was present to memorialize the proceedings. A quorum was attained.

**Additional Officials Present:** Rhett L. Tauber, Esq., Town Attorney; Peter T. Hojnicky, Metropolitan Police Chief; John M. Bach, Public Works Director; William R. Timmer, Jr., CFOD, Fire Chief; Alex M. Brown, CPRP, Superintendent of Parks and Recreation; Kenneth J. Mika, Building Commissioner; and Cecile Petro, Redevelopment Director were present.

*Also present:* Randy Bowman, Electrical Inspector; Pat Vassar, Assistant Chief of Police; John Banasiak, Deputy Commander; Sergeant Randy Stewart, F.O.P. President; and Kenneth Balon, Police Pension Secretary; were also present.

**Minutes of the Previous Meetings:** The minutes of the regular meeting of 09 May 2016 were approved by general consent.

**Special Orders:**

1. **Public Hearing:** Proposed Additional Appropriations in Excess of the 2016 Budget for the **Park Nonreverting Capital Fund**, supported by proceeds from the sale of Park District Bonds of 2016.
  - (a) Attorney verification of Proofs of Publication: The TIMES 12 May 2016; Post-Tribune 12 May 2016. The Town Attorney indicated that the proofs were in compliance with IC 5-3-1.
  - (b) **Public Hearing.** The Town Council President called the hearing to order. There were no comments written or spoken and the hearing was closed.
  - (c) Action on **Ordinance No. 1621:** An Ordinance Appropriating the Proceeds of Park District Bonds of 2016 and authorizing the Issuance of the Bonds.

Councilor Herak introduced Ordinance No. 1621 and moved its consideration at the same meeting of its introduction. Councilor Vassar seconded. Upon a roll call vote, a unanimous vote being necessary, there were five affirmatives and no negatives. The motion passed. The ordinance could be considered at the same meeting of introduction.

Councilor Herak moved the passage and adoption of Ordinance No. 1621 at the same meeting of its introduction. Councilor Vassar seconded. Upon a roll call vote, a two-thirds vote being necessary, there were five affirmatives and no negatives. The motion passed. The ordinance was passed and adopted at the same meeting of introduction.

**Ordinance No. 1621  
 of the Town of Highland, Indiana**

**Ordinance Authorizing Issuance Of General Obligation Park Bonds and Appropriating the Proceeds Thereof**

**Whereas,** The Board of Parks and Recreation (the "Board") of the Highland Park District (the "District") has determined to issue general obligation bonds in an amount not to exceed \$2,000,000 to fund the cost of the planning, construction, development and improvements of park facilities, all as more particularly described in the Declaratory Resolution adopted by the Board on May 5, 2016, for park and recreation purposes and for the benefit of the taxpayers of the Town (the "Project"); and

**Whereas,** The Town Council of the Town (the "Council") is authorized and required to approve the issuance of bonds of the District; and

**Whereas,** The estimated cost of the Project at the present time is in the approximate amount of \$2,000,000, and the Council finds that no provision has been made on account thereof in the District's existing budget; that a need exists for the making of an additional appropriation for such purpose,

**Now, Therefore,** be it Ordained by the Town Council of the Town of Highland, Lake County, Indiana, that:

**Section 1.** The Council hereby approves the issuance of bonds of the District in an amount of approximately \$2,000,000 for the Project.

**Section 2.** That an appropriation of the proceeds of the General Obligation Park Bonds, Series 2016 in the amount of \$2,000,000 be and the same is hereby made to be applied on the cost of the Project, said appropriation to include the incidental expenses necessary to be incurred in connection with the Project and the issuance of bonds on account thereof as follows:

Park Non Reverting Capital Fund

Acct. 010-0000-3303-0016	Legal Advisory Services	\$	10,000
010-0000-3304-0016	Fiscal Advisory Services	\$	5,000
	<b>Total Series</b>	<b>\$</b>	<b>15,000</b>
Acct. 010-0000-43005-0016	Vehicles	\$	85,000
Acct. 010-0000-47001-0016	Trails Improvements	\$	180,000
Acct. 010-0000-47002-0016	Brantwood Park Improvement:	\$	50,000

Acct. 010-0000-47003-0016	Fletcher Park Improvements	\$	25,000
Acct. 010-0000-47004-0016	Homestead Park Improvement	\$	160,000
Acct. 010-0000-47005-0016	Lakeside Park Improvements	\$	30,000
Acct. 010-0000-47006-0016	Main Square Park Improvemer	\$	125,000
Acct. 010-0000-47007-0016	Markley Park Improvements	\$	55,000
Acct. 010-0000-47008-0016	Meadows Park Improvements	\$	250,000
Acct. 010-0000-47009-0016	Northwood Park Improvement	\$	100,000
Acct. 010-0000-47010-0016	Orchard Park Improvements	\$	15,000
Acct. 010-0000-47011-0016	Pettit Park Improvements	\$	20,000
Acct. 010-0000-47012-0016	Sharp Athletic Complex Impro	\$	215,000
Acct. 010-0000-47013-0016	Sheppard Memorial Park Impr	\$	565,000
Acct. 010-0000-47014-0016	Jaycee park Improvements	\$	10,000
Acct. 010-0000-47015-0016	Terrace Park Estates Park Impr	\$	20,000
Acct. 010-0000-47016-0016	White Oak Park Improvements	\$	30,000
Acct. 010-0000-47099-0016	Tree Removal/Replacement	\$	50,000
	<b>Total Series</b>	<b>\$</b>	<b><u>1,985,000</u></b>

**Total for the Fund** **\$ 2,000,000**

**Section 3.** That said appropriation shall be in addition to all appropriations provided for in the existing budget, and shall continue in effect until the completion of the Project.

Introduced and filed on the 23<sup>rd</sup> day of May 2016. Consideration on the first reading sustained by a vote of 5 in favor and 0 opposed, pursuant to I.C. 36-5-2-9.8.

DULY ORDAINED AND ADOPTED this 23<sup>rd</sup> day of May 2016, by the Town Council of the Town of Highland, Lake County, Indiana, having been passed by a vote of 5 in favor and 0 opposed.

Bernie Zemen, President, Town Council  
Town of Highland, Indiana

ATTEST:

Michael W. Griffin, IAMC/MMC/CPFA/CPFIM/CMO,  
Clerk-Treasurer (IC 33-16-4-1; IC 36-5-6-5)

**Unfinished Business and General Orders:**

1. **Introduced Ordinance No. 1615:** An Ordinance To Amend The Compensation, Benefits And Personnel Program Of The Municipality, To Be Known As The Compensation And Benefits Ordinance Commonly Known as the Employees Handbook, to Make Certain Modifications to Comply with Affordable Care and Patient Protection Act, Pursuant To IC 36-1-3 And Other Relevant Statutes. *Councilor Herak introduced and filed Ordinance No. 1615, at the Town Council meeting of April 25 2016.*

Councilor Herak moved the passage and adoption of Ordinance No. 1615. Councilor Kuiper seconded. Upon a roll call vote, there were five affirmatives and no negatives. The motion passed. The ordinance was adopted.

**ORDINANCE NO. 1615  
OF THE  
TOWN OF HIGHLAND, INDIANA**

**AN ORDINANCE TO AMEND THE COMPENSATION, BENEFITS AND PERSONNEL PROGRAM OF THE MUNICIPALITY, TO BE KNOWN AS THE COMPENSATION AND BENEFITS ORDINANCE COMMONLY KNOWN AS THE EMPLOYEES HANDBOOK, TO MAKE CERTAIN MODIFICATIONS TO COMPLY WITH PATIENT PROTECTION AND AFFORDABLE CARE ACT PURSUANT TO IC 36-1-3 AND OTHER RELEVANT STATUTES.**

**WHEREAS,** The Town Council is the fiscal and legislative body of the Town of Highland;

WHEREAS, IC 36-1-3-2 confers upon all local units the powers that they need for the effective operation of government as to local affairs;

WHEREAS, IC 36-1-3-6 (b)(1) prescribes that any such exercise of power shall be authorized through enactment of an ordinance passed by the legislative body; and

WHEREAS, IC 36-1-4, sections 14 and 15 provide in pertinent parts for the establishment of a system of employment for any class of employee and for fixing the level of compensation of its officers and employees; and

WHEREAS, IC 5-10 in several pertinent chapters further authorizes Indiana political subdivisions to participate in and provide for certain compensation plans, and group benefits for its public workforce and officers, some of which have been duly adopted and established by ordinance of the Town; and

WHEREAS, IC 36-5, Chapters 3 and 4 provide additional authority and guidelines for fixing the level of compensation of officers and employees in towns; and

WHEREAS, The Town Council has determined that certain modifications to the program for compensation, benefits and personnel management for its public workforce, consistent with Indiana Statutes, would be of benefit to support and carryout the public purposes of the municipality;

WHEREAS, The Town Council has further determined that certain modifications to the program for compensation, benefits and personnel management for its public workforce, consistent with certain provisions of the *Patient Protection Act and Affordable Care Act of the United States* would be of benefit to support and carryout the public purposes of the municipality; and

WHEREAS, The Town Council now desires to authorize and establish such a compensation, benefits and personnel program;

NOW, THEREFORE, BE IT HEREBY ORDAINED BY the Town Council of the Town of Highland, Lake County, Indiana, as follows:

**Section 1.** That *Section 6.03 Styled Group Health Insurance* of the Compensation and Benefits Ordinance Commonly Known as the Municipal Employees Handbook be repealed in its entirety and replaced with a successor section, which shall be numbered and read as follows:

**§ 6.00 GROUP INSURANCE**

**§ 6.03 Group Health Insurance**

The Town will provide a health insurance plan for all ~~full-time employees, the Clerk Treasurer, and their dependents~~ **eligible employees of the town hereinafter defined**. The Town reserves the right to change alter, modify or cancel the insurance plan coverage with or without notification. The Town provides ~~full-time employees, Clerk Treasurer and their dependents~~ **eligible employees of the town hereinafter defined** for those with a group insurance plan in which the coverage begins on the first day of employment. For specific details on the type and extent of coverage, please refer to the plan document, which will be provided at the time of enrollment. (Amended by Ordinance No. 1445. 14 December 2009)

**§ 6.03.01 Town Council Member Eligibility**

The Town will not pay the premiums for the members of the Town Council for participation in any group insurance plans. However, the Town Council members are eligible to participate in the group insurance plans of the Town at their own expense for the cost of the premiums. Town Council members who elect dependent coverage shall pay in full the appropriate premium corresponding for such coverage.

**§ 6.03.02 IRC Section 125 "Flex Plan"**

The Town of Highland will provide a "full flex" plan pursuant to and as outlined in § 125 of the Internal Revenue Code. The plan will provide for conversion of employee premiums for group health insurance provided by the Town as employer. It will further provide for election by covered employees and officials to convert a medical reimbursement account and a dependent care reimbursement account. The governing body may from time to time adopt third party services agreements to carry out portions of the plan. Details of the plan shall be maintained as a plan document and retained on file.

**§ 6.03.03 Health Savings Accounts (HSA Accounts)**

The Town of Highland will provide a HIGH DEDUCTIBLE option in its group health insurance to support worker establishment of a *Health Savings Account* pursuant to and as outlined in the relevant sections of the Internal Revenue Code. The plan option will only be available to ~~full-time employees and the Clerk Treasurer~~ **eligible employees of the town hereinafter defined** who may elect the higher deductible option for the group health insurance plan. The Town of Highland as employer will make a financial contribution to the individual

health saving account of the ~~employee or Clerk-Treasurer~~ **eligible employees of the town hereinafter defined** that elect to participate. The **eligible employees of the town hereinafter defined** must not be covered by any other group health insurance plan. Details of the plan shall be maintained as a plan document and retained on file. The financial contribution will be paid in quarterly installments and be based upon the high deductible group health plan elected by the participating ~~employee or Clerk-Treasurer~~ **eligible employees of the town hereinafter defined** as follows:

Group Health Insurance High Deductible (HSA) Plan

	Employer Quarterly Contribution	Annualized
Employee Single Coverage	\$ 225.00	\$900.00
Employee With Children	429.50	\$1,718.00
Employee With Spouse	452.25	\$1,809.00
Family Coverage with Spouse and Children	655.75	\$2,623.00

Amended by Ordinance No. 1527 adopted November 26, 2012.

**§ 6.03.04 Employee Contribution for Certain Group Insurance Premiums**

All ~~full-time employees and the Clerk-Treasurer~~ **eligible employees of the town hereinafter defined** shall share the cost of the group health premium, which are to be paid through a salary reduction (payroll deduction) taken as a pre-tax payment according to the terms of a duly authorized IRC Section 125 Plan for the Town of Highland. The amount of the shared premium shall be fixed by ordinance as may be passed from time to time. All **eligible employees** and elected officers may elect to include **spouses** and dependents under their group coverage, **except that select part-time workers eligible for group coverage may only elect to include dependents and not spouses under their group coverage.**

All ~~full-time employees and the Clerk-Treasurer~~ **eligible employees of the town hereinafter defined** who elect to participate in the group health insurance shall pay the identified share of the group premium based upon the type of enrolled coverage selected by the **eligible employees of the town hereinafter defined** ~~the employee or the clerk-treasurer~~ for the duration of such coverage. **For participating full-time employees and the clerk-treasurer**, the identified share of the group premium will be calculated as a percentage share of the annual gross base wage or salary of the covered employee, excluding longevity or overtime and then fixed as a flat amount to be paid bi-weekly. **For select part-time employees, the group premium will be calculated as a percentage share of the bi-weekly pay, and shall be collected during all bi-weekly pay periods regardless of work performed. The Clerk-Treasurer is empowered to implement the collection to achieve optimal administrative ease achieving the policy objects of this provision. In all cases, the percentage shall be calculated according to the following schedule:**

Employee Share of Health Insurance Premium

Employee Single Coverage	1% of Base Pay
Employee With Children	2% of Base Pay
Employee With Spouse	2% of Base Pay
Family Coverage with Spouse and Children	3% of Base Pay

*(May be affected by Wellness Incentive Enactments adopted from time to time)*

**§ 6.03.05 Group Dental Insurance Plan**

The Town will provide a dental insurance plan for all full-time employees and the Clerk-Treasurer **and their dependents**. Group dental plans have no required additional fee participation by full-time employees or the Clerk-Treasurer.

**§ 6.03.06 Eligible Employees Defined**

**(A) For the purposes of Section 6.03, the term eligible employee will refer to the following:**

- (1) The Clerk-Treasurer, his dependents and spouse;**
- (2) Full-time employees, regularly scheduled for 40 or more hours per week and their dependents and spouse;**
- (3) Select part-time workers, who are regularly scheduled 30 hours each week at least 11 months forty-eight (48) of the calendar year, and their dependent child or children.**

**§ 6.03.07 Group Vision Insurance Plan**

The Town does NOT presently provide a vision insurance plan.

**§ 6.03.08 Town Council Action Necessary for Hiring of Select part-time workers**

**Notwithstanding provisions in the wage and salary ordinance or any other, no part-time worker who is a select part-time worker under Section 6.03.06 or who may be considered an "eligible employee" may be hired without the board or commission of jurisdiction's preliminary action and the final authorizing action of the Town Council.**

**Section 2.** That *Section 6.04 Styled Group Life, Accidental Death and Dismemberment Insurance* of the Compensation and Benefits Ordinance Commonly Known as the Municipal Employees Handbook be repealed in its entirety and replaced with a successor section, which shall be numbered and read as follows:

**§ 6.04 Group Life, Accidental Death and Dismemberment Insurance**

The Town will provide a group life, accidental death and dismemberment insurance plan for all full-time employees and the Clerk-Treasurer **and their dependents as well as spouses**. All employees and the Clerk-Treasurer shall pay \$1.00 per year toward the premiums for their group life insurance coverage.

**Section 3.** That *Section 6.05 Styled as Insurance for Deceased Employee's Dependent Family* of the Compensation and Benefits Ordinance Commonly Known as the Municipal Employees Handbook be repealed in its entirety and replaced with a successor section, which shall be numbered and read as follows:

**§ 6.05 Insurance for Deceased Employee's Dependent Family**

The Town will respond in one of the following ways, as directed by the deceased employee's dependent family:

**§ 6.05.01 Option 1.** The Town will pay premiums up to include two (2) full months following the date of the death month of the employee for the decedent's dependent family, **except as provided herein**. Thereafter, additional coverage will be available under the terms of the COBRA law.

**§ 6.05.02 Option 2. (A)** The Town will allow a conversion of the equivalent economic value of the benefit described in Option One, based upon the cost of the health/medical insurance premium that decedent's dependent family would be granted under Option One, and permit the value to be applied to the dental insurance benefit that may be in force and available at the time. This would be in lieu of the Town paying the medical/health and other insurance benefits offered in Option One. The Town will then pay the premiums for the dental plan as elected under the terms of COBRA. Once the converted value was extinguished, the dependent would be then required to pay premiums for coverage remaining under COBRA provisions.

**(B)** Any such conversion will be adjusted for any time that may have lapsed from the date of the death month of the employee for the decedent's dependent family and the notification of the election of Option Two. However, any additional benefit which may be offered under the terms of any dental plan then in effect would still be extended without modification or reduction to the benefit of this option.

**(C)** The Clerk-Treasurer shall have authority to implement and administer this benefit policy, as adopted, including implementing the provisions related to the employee group premium co-payment, all in accordance with IC 36-5-6 et seq.

**(D)** **The surviving child or children who are insured by an Eligible Employee as defined in Section 6.03.06(A)(3) are only covered by the provisions described as Option 1, under Section 6.05.01.**

**(E)** That all other ordinances and resolutions related to the subject matter of this ordinance and not in conflict with its provisions, and the enabling instruments dealing with public employee retirement plans, remain in full force and effect.

**Section 4.** That the provisions of Enactment No. 2015-64 and Enactment No. 2015-65 remain in full force and effect, unless and until amended or repealed by subsequent enactment;

**Section 5.** That all other ordinances and resolutions in conflict with the provisions of this ordinance are hereby repealed and have no further force or effect;

**Section 6.** That this ordinance shall become and remain in full force and effect from and after the date of its passage and adoption upon its signature by the executive as attested thereto by the clerk-treasurer, in the manner prescribed by IC 36-5-2-10(a).

Introduced on the 25<sup>th</sup> day of April 2016. Consideration on same day or at same meeting of introduction was not taken up pursuant to IC 36-5-2-9.8.

**DULY ORDAINED and ADOPTED** this 23<sup>rd</sup> Day of May 2016, by the Town Council of the Town of Highland, Lake County, Indiana, having been passed by a vote of 5 in favor and 0 opposed.

**TOWN COUNCIL of the TOWN of  
HIGHLAND, INDIANA**

Bernie Zemen, President (IC 36-5-2-10)

Attest:

Michael W. Griffin, IAMC/MMC/CPFA/CPFIM/CMO  
Clerk-Treasurer (IC 33-16-4-1;IC 36-5-6-5)

- Proposed Ordinance No. 1622:** An Ordinance to Amend Chapter 12.20 of the Highland Municipal Code Regarding Technical Corrections and Clarifying Modifications for the Sanitary District and its Rates and Charges.

Councilor Herak introduced Ordinance No. 1622 and moved its consideration at the same meeting of its introduction. Councilor Wagner seconded. Upon a roll call vote, a unanimous vote being necessary, there were five affirmatives and no negatives. The motion passed. The ordinance could be considered at the same meeting of introduction.

Councilor Herak moved the passage and adoption of Ordinance No. 1622 at the same meeting of its introduction. Councilor Wagner seconded. Upon a roll call vote, a two-thirds vote being necessary, there were five affirmatives and no negatives. The motion passed. The ordinance was passed and adopted at the same meeting of introduction.

**ORDINANCE No. 1622**  
of the  
**TOWN of HIGHLAND, INDIANA**

**AN ORDINANCE TO AMEND CHAPTER 12.20 OF THE HIGHLAND MUNICIPAL CODE REGARDING TECHNICAL CORRECTIONS AND CLARIFYING MODIFICATIONS FOR THE SANITARY DISTRICT AND ITS RATES AND CHARGES.**

**WHEREAS**, The Sanitary District of Highland is governed by its Board of Sanitary Commissioners, pursuant to the provisions of IC 36-9-25 et seq; and

**WHEREAS**, IC 36-9-25-9 specifically provides that the Board of Sanitary Commissioners shall manage and control all works of the district and may purchase, acquire, construct, reconstruct, operate, repair and maintain all sewage works; and

**WHEREAS**, The Legislative Body on July 21, 1969 did establish a Department of Public Sanitation and Sanitary District by passage and adoption of Ordinance No. 586 of the Town, and now codified as Chapter 12.10 of the Highland Municipal Code;

**WHEREAS**, The present general and permanent ordinances of the Town of Highland, formally codified in 2012, are in need of technical and substantive modifications not confined to any particular Title, Article or Chapter but nevertheless desirable to further improve and perfect the Code; and

**WHEREAS**, The Board of Sanitary Commissioners in performing its duties, may adopt resolutions, rules and by-laws that are necessary to carry out the provisions of IC 36-9-25 including repealing or amending them consistent with the Sanitary District Law;

**WHEREAS**, The Board of Sanitary Commissioners passed and adopted its Resolution No. 2015-27 recommending desirable and necessary changes to the Chapter 12.20 of the Highland Municipal Code and commended these to the Town Council for its favor and action;

**WHEREAS**, The Town Council now desires to favor the recommendations for amendment to the Highland Municipal Code as recommended by the Board of Sanitary Commissioners for Chapter 12.20 and by making these amendments as commended;

**WHEREAS**, The Town Council is reliably advised that Chapter 12.20 of the Municipal Code is in need of some changes to reflect some desired modifications since its initial adoption and to make other changes to allow for certain administrative efficiencies;

**WHEREAS**, The Town Council is persuaded that it is necessary and desirable to adopt the several modifications to Chapter 12.20 to further improve and perfect the Code,

**Therefore, Now Be it Hereby Ordained** by the Town Council of the Town of Highland, Lake County, Indiana as follows:

**Section 1.** That **Section 12.20.320** of the Highland Municipal Code be hereby repealed in its entirety and amended to add a successor section to be numbered Section 12.20.320, which shall read as follows:

**12.20.320 Rates and charges established; Payment required.**

(A) For users of the sewage works who are also metered users of the municipal water works, the basis for user fees will be comprised of a combined disposal, collection and treatment rate which will be based upon metered usage and a second component which will be a flat fee or base rate to be based upon the size of water meter servicing the user, all pursuant to IC 36-9-25-12. Water meters shall be read and sewage service bills shall be rendered pursuant to the billing and reading frequencies and practices of the municipal water works utility, pursuant to the Waterworks Rules and Regulations.

(B) For the period beginning January 1, 2010, and after the following fees and charges are hereby fixed and in effect as follows:

~~(1) Combined disposal, collection and treatment (metered) rate: \$2.59 per 1,000 gallons of flow, plus a base charge to be identified as a monthly base rate;~~

~~(2) Base rate as follows:~~

**Monthly Base Rate**

Meter Size (inches)	Base Rate Total
5/8"	\$4.45
3/4"	5.91
1"	10.01
1 1/4"	15.57
1 1/2"	22.11
2"	37.63
3"	85.43
4"	151.77

~~(3) (1) The base charge shall be based on a water meter size of not more than one size smaller than the service line in which the meter is installed.~~

~~(4) An additional charge of \$4.50 monthly for each dwelling unit over one serviced through a single water meter shall be added to the above rates.~~

~~(5) For users of the sewage works that are unmetered users of the municipal water works, the monthly charge shall be determined by equivalent single family dwelling units, except as herein provided. Sewage service bills shall be rendered monthly. The schedule on which said rates shall be determined is as follows:~~

**Monthly Rate**

User	Total
Unmetered residential: Single family/residence unit	\$24.60

~~(C) (2) For the service rendered to the town of Highland, the town shall be subject to the same rates and charges as herein provided.~~

~~(D) (B) For users of the sewage works that either indirectly or directly use water from a source other than that of the municipal water works or that is measured from a water meter that is not acceptable to the board of sanitary commissioners, the board may require the person at his the person's own expense to furnish, install, and maintain a water or sewage measuring device acceptable to the board, pursuant to IC 36-9-25-12(d).~~

~~(E)~~(C) For the purposes of this chapter, sewage works shall be construed and have the meanings according to the definitions set forth in IC 36-9 et seq. and will include but not necessarily be limited to services or activities related to the following:

- (1) Sewage treatment plants;
- (2) Intercepting sewers;
- (3) Main sewers;
- (4) Submain sewers;
- (5) Local sewers;
- (6) Lateral sewers;
- (7) Outfall sewers;
- (8) Storm sewers;
- (9) Force mains;
- (10) Pumping stations;
- (11) Ejector stations; and
- (12) Any other structures necessary or useful for the collection, treatment, purification, and sanitary disposal of the liquid waste, solid waste, sewage, storm drainage, and other drainage of the municipality.

**Section 2.** That Section 12.20.340, subdivision (5)(a) of the Highland Municipal Code be hereby repealed in its entirety and amended to add new subdivisions, which shall read as follows:

**12.20.340 Special adjustments.**

~~(5)(a)~~ **(B) Summer Consumption Protocol.** In order that single-family residential users of ~~sewage wastewater~~ service shall not be ~~unduly penalized~~ **charged** for sprinkling their lawns and **other summer activities where higher consumption does not have a nexus to cost recovery and wastewater treatment**, the following ~~schedule of rates and charges calculation related to consumption~~ shall apply to said single-family residential users:

1. The sewer charges for May and June shall be calculated on the basis of water usage in the months of November and December, respectively. The sewer charges for July and August shall be calculated on the basis of water usage in the months of January and February, respectively.
2. In the event that the total actual water usage for said months of May, June, July, August and September in subsection ~~(A)(5)(a)~~ **(B)(1)** of this section is less than the total actual water usage for said months of November, December, January, February and March, then the charges for the months of May, June, July, August, September shall be calculated on the basis of the total actual water used in these months.
- ~~3. The sewer charges for June and July shall be calculated on the basis of water usage in the months of December and January, respectively. The sewer charges for August and September shall be calculated on the basis of water usage in the months of February and March, respectively.~~
- ~~4. In the event that the total actual water usage for said months of June, July, August and September in subsection (A)(5)(a) ~~(B)(3)~~ of this section is less than the total actual water usage for said months of December, January, February and March, then the charges for the months of June, July, August and September shall be calculated on the basis of the total actual water used in these months.~~
3. The aforementioned consumption protocol will be executed and in effect immediately following the meter readings conducted in May. Notwithstanding the preceding, the summer consumption protocol will be observed on the bills mailed in June, July, August, September and October, where it will conclude.

~~(b)~~ 4. The aforementioned provisions shall apply to each lot, parcel of real estate or building which is occupied and used as a single-family residence. Said provisions shall not apply to any premises

which are partially or wholly used for multifamily, commercial or industrial purposes. In the event a portion of such premises shall be used for single-family residence, the owner shall have the privilege of separating the water service so that the residential portion of the premises is served through a separate meter and in such case the provisions hereunder shall be applicable to that portion of the premises used for residential purposes.

~~(B)~~ (C) Special Adjustments for Industrial Users.

(1) In order that the rates and charges may be justly and equitably adjusted to the service rendered to industrial users, the district shall base its charges not only on the volume, but also on strength and character of the stronger-than-normal domestic sewage and wastes which it is required to treat and dispose of. The district shall require the industrial user to determine the strength and content of all sewage and wastes discharged, either directly or indirectly into the sanitary sewage system, in such manner and by such method as the district may deem practicable in the light of the conditions and attending circumstances of the case, in order to determine the proper charge. The industrial user shall furnish a central sampling point available to the district at all times.

(2) Normal sewage domestic waste strength should not exceed a **carbonaceous** biochemical oxygen demand of 220 milligrams per liter of fluid or **total** suspended in excess of 260 milligrams per liter of fluid. Additional charges for treating stronger-than-normal domestic waste shall be made on the following basis:

(a) There shall be an additional charge of \$1.822 per 100 pounds for **total** suspended solids received in excess of 260 milligrams per liter of fluid.

(b) There shall be an additional charge of \$4.213 per 100 pounds of **carbonaceous** biochemical oxygen demand for CBOD received in excess of 220 milligrams per liter of fluid.

(3) The determination of suspended solids and five-day **carbonaceous** biochemical oxygen demand contained in the waste shall be in accordance with the latest copy of *Standard Methods for the Examination of Water, Sewage and Industrial Wastes Method 5210.B*, as written by the American Public Health Association, the American Water Works Association, the ~~Water Pollution Control Federation~~ **Environmental Association**, and in conformance with *Guidelines Establishing Test Procedures for Analysis of Pollutants*, Regulation 40 CFR 136, published in the Federal Register on October 16, 1973, **revised July 1, 2011**.

**Section 3.** The provisions of this ordinance amending the municipal code shall be in full force and effect from and after the date of its passage and adoption evidenced by the executive's signature in the manner prescribed by IC 36-5-2-10(a), provided as follows:

(A) That all billing currently underway that observes the provisions intended to be effective with the passage and adoption of this ordinance, shall be ratified pursuant to IC 36-1-4-16;

Introduced and Filed on the 23<sup>rd</sup> day of May 2016. Consideration on same evening of introduction sustained a vote of 5 in favor and 0 opposed, pursuant to IC 36-5-2-9.8.

**DULY ORDAINED AND ADOPTED** this 23<sup>rd</sup> Day of May 2016 by the Town Council of the Town of Highland, Lake County, Indiana, having been passed by a vote of 5 in favor and 0 opposed.

**TOWN COUNCIL of the TOWN of  
HIGHLAND, INDIANA**

Bernie Zemen, President (IC 36-5-2-10)

**Attest:**

Michael W. Griffin, IAMC/MMC/CPFA/CPFIM/CMO  
Clerk-Treasurer (IC 33-16-4-1;IC 36-5-6-5)

3. **Proposed Ordinance No. 1623:** An Ordinance to Amend Chapter 11.10 of the Municipal Code which provides for a Department of Parks and Recreation and its Governance by a Park and Recreation Board, by repealing Sections 11.10.020 and 11.10.220 in their entirety and providing for a amended successor sections, all pursuant to I.C. 36-1-4, IC 36-1-5 and IC 36-10-3 et sequitur.

Councilor Wagner introduced and filed Ordinance No. 1623. There was no further action.

4. **Proposed Ordinance No. 1624:** An Ordinance to Amend the Highland Municipal Code Creating a New Section, Establishing a LOIT Special Distribution Fund Pursuant to IC 36-1-3 and Public Law 126-2016, codified as IC 6-3.6-9-17.

Councilor Kuiper introduced Ordinance No. 1624 and moved its consideration at the same meeting of its introduction. Councilor Wagner seconded. Upon a roll call vote, a unanimous vote being necessary, there were five affirmatives and no negatives. The motion passed. The ordinance could be considered at the same meeting of introduction.

Councilor Wagner moved the passage and adoption of Ordinance No. 1624 at the same meeting of its introduction. Councilor Kuiper seconded. Upon a roll call vote, a two-thirds vote being necessary, there were five affirmatives and no negatives. The motion passed. The ordinance was passed and adopted at the same meeting of introduction.

ORDINANCE NO. 1624  
of the  
TOWN of HIGHLAND, INDIANA

AN ORDINANCE TO ESTABLISH A LOIT SPECIAL DISTRIBUTION FUND PURSUANT TO IC 36-1-3 AND PUBLIC LAW 126-2016, CODIFIED AS IC 6-3.6-9-17.

- WHEREAS, The Town Council is the fiscal body of the Town of Highland;
- WHEREAS, IC 36-5-2-9 provides that the legislative body may adopt ordinances and resolutions for the performance of functions of the town; and,
- WHEREAS, IC 36-1-3-4 provides that the powers units have under IC 36-1-3-4(b)(1) are listed in various statutes, further noting that these statutes do not list the powers that units have under IC 36-1-3-4 (b)(2); therefore, the omission of a power from such a list does not imply that units lack that power; and
- WHEREAS, IC 36-1-3-4 further provides that a unit has all powers granted it by statute as well as all other powers necessary or desirable in the conduct of its affairs, even though not granted by statute;
- WHEREAS, The Town has received a special distribution authorized by Section 3 of Public Law 126-2016 and informed by a guidance memorandum from Paul D. Joyce, the State Examiner, and Chair of the State Board of Accounts, regarding the disposition of the proceeds from the special distribution, and their authorized uses;
- WHEREAS, The Town has received a special distribution authorized by Section 3 of Public Law 126-2016, which is in the amount of five hundred seventeen thousand, thirty-four dollars and seventy-eight cents (\$517,034.78), of which seventy-five percent (75%) of the distribution must be deposited into a special fund and must only be used for the purposes of road resurfacing, maintenance, restoration, or rehabilitation;
- WHEREAS, The Town has received a special distribution authorized by Section 3 of Public Law 126-2016, which is in the amount of seventeen thousand, eight hundred seventeen dollars and eighty-seven cents (\$17,817.87) for the Town of Highland Sanitary District and the proceeds must be deposited into the municipal Rainy Day Fund, and may be used for any lawful public purpose;
- WHEREAS, The Town Council has determined that it would be desirable to establish a special fund or funds and to allow the fund or funds to be used for the purposes established in the new law; and
- WHEREAS, The Town Council has determined that it is necessary, desirable and of great public benefit, to establish the fund herein referenced to support and carryout the lawful public purposes of the municipality; and
- NOW, THEREFORE, BE IT HEREBY ORDAINED BY the Town Council of the Town of Highland, Lake County, Indiana, as follows:

**Section 1.** The Highland Municipal Code is hereby amended by adding a new Section, to be numbered **Section 3.45.130** to be entitled: *LOIT Special Distribution Fund*, which shall read as follows:

**§ 3.45.128 LOIT SPECIAL DISTRIBUTION FUND**

(A) *Establishment.* There is hereby authorized, created and established a fund of the Town of Highland, to be called the *LOIT Special Distribution Fund*, pursuant to Section 3 of Public Law 126-2016, codified as IC 6-3.6-9-17.

1. The *LOIT Special Distribution Fund* is dedicated and established for accumulating funds to provide resources to support lawful purposes of the municipality, and such specific purposes as are identified in this Section.

2. The sources of funding for the *LOIT Special Distribution Fund* includes the following:

- (a) Seventy-five percent (75%) of the particular one-time distribution remitted to the Town of Highland, pursuant to provisions set forth in Section 3 of Public Law 126-2016, codified as IC 6-3.6-9-17(h)(1);
- (b) Interest earned from the investment of moneys on deposit to the credit of the fund, provided such investments are conducted pursuant to I.C. 5-13-9 et seq.;
- (c) Money derived from state or federal reimbursement grants, matching funds, or contributions for such projects as may be consistent with the objects and purposes of this fund, and the associated grant;
- (d) Such other financial resources as the Indiana General Assembly may authorize from time to time;

3. The *LOIT Special Distribution Fund* is established and remains in effect until such time as all the cash on deposit to the fund is expended or until the fund is repealed or rescinded by action of the Town Council, whichever comes first.

(B) *Purposes, Uses and Permissible Expenditures.* Expenditures from the *LOIT Special Distribution Fund* shall be used **exclusively** for the following purposes:

1. To pay for engineering, land acquisition, construction, resurfacing, maintenance, restoration, or rehabilitation of both local and arterial road and street systems;
2. To pay the principal and interest on bonds sold primarily to finance road, street, or thoroughfare projects;
3. To pay any local costs required to undertake a recreational or reservoir road project under IC 8-23-5;
4. To support the purchase, rental of, or repair of highway equipment;
5. To purchase equipment, motor vehicles, special purpose vehicles, and accessories for such vehicles that are used for public safety purposes;
6. For providing a match for a grant from the local road and bridge matching grant fund, under IC 8-23-30;

(C) *Appropriations Required.* Expenditures from the *LOIT Special Distribution Fund* may be made only upon appropriation by the fiscal body for the purpose for which the fund is specifically established, in the manner provided by statute for making other appropriations and shall be disbursed only on approved accounts payable vouchers allowed by the legislative body, all pursuant to IC 5-11-10 and IC 36-5-4.

(D) *Investments Authorized.* Money in the *LOIT Special Distribution Fund* may be invested provided that the yields from the purchase and sale of any such investments shall be deposited with the fund pursuant to IC 5-13-9 and Chapter 3.40 of the Highland Municipal Code.

(E) *Preservation and Disposition of Fund Assets.* All unused and unencumbered cash on deposit to the credit of the *LOIT Special Distribution Fund* does not revert to the corporation general fund or to any other fund but shall remain with the *LOIT Special Distribution Fund* until such time as all the cash on deposit to the fund is expended.

(F) Unless otherwise provided by law, if all cash on deposit to the fund is expended, the municipal fiscal officer shall be authorized to retire, abolish and defease the fund, following completion of the required audit by the State Board of Accounts.

**Section 2.** That following passage and adoption of this ordinance, the distribution authorized under Section 3 of Public Law 126-2016, and received in the amount of five hundred seventeen thousand, thirty-four dollars and seventy-eight cents (\$517,034.78), shall be deposited in the following amounts and to the credit of the following funds:

(A) The amount of three hundred eighty-seven thousand, seven hundred seventy-six dollars and nine cents (\$387,776.09), which represents seventy-five percent (75%) of the distribution, shall be deposited to the credit of the *LOIT Special Distribution Fund*;

(B) The remaining balance in the amount of one hundred twenty-nine thousand, two hundred fifty-eight dollars and seventy cents (\$129,258.70), shall be deposited to the credit of the Rainy Day Fund, authorized under Article III of Chapter 3.45 of the Highland Municipal Code, and pursuant to Section 3 of Public Law 126-2016, codified as IC 6-3.6-9-17(h)(2);

**Section 3.** That following passage and adoption of this ordinance, the distribution authorized under Section 3 of Public Law 126-2016, and received in in the amount of seventeen thousand, eight hundred seventeen dollars and eighty-seven cents (\$17,817.87) for the Town of Highland Sanitary District, shall be deposited to the credit of the Rainy Day Fund, authorized under Article III of Chapter 3.45 of the Highland Municipal Code, and pursuant to Section 3 of Public Law 126-2016, codified as IC 6-3.6-9-17(h)(2).

**Section 4.** That all amounts deposited to the credit of the Rainy Day Fund, authorized under Article III of Chapter 3.45 of the Highland Municipal Code and IC 36-1-8-5.1, may be used by the Town for any lawful purposes of the town all pursuant to Section 3 of Public Law 126-2016, codified as IC 6-3.6-9-17(h)(2).

**Section 5.** That any and all such ordinances in conflict with the provisions of this ordinance, are hereby repealed and are of no further force or effect. The Clerk-Treasurer shall be authorized to assign appropriate section numbers in support of the **codification** of the particular provisions of this ordinance, where necessary.

**Section 6.** This ordinance shall become and be in full force and effect from and after the date of its passage and adoption upon its signature by the executive in the manner prescribed by IC 36-5-2-10(a).

Introduced and Filed on the 23rd day of May 2016. Consideration on same day or at same meeting of introduction attained 5 votes in favor and 0 opposed, pursuant to IC 36-5-2-9.8.

**DULY ORDAINED and ADOPTED** this 23<sup>rd</sup> day of May 2016 by the Town Council of the Town of Highland, Lake County, Indiana, having been passed by a vote of 5 in favor 0 opposed.

**TOWN COUNCIL of the TOWN of  
HIGHLAND, INDIANA**

Bernie Zemen, **President (IC 36-5-2-10)**

**ATTEST:**

Michael W. Griffin, **IAMC/MMC/CPFA/CPFIM/CMO  
Clerk-Treasurer (IC 33-42-4-1; IC 36-5-6-5)**

5. **Action to approve appointment or employment of full-time employee, pursuant to Section §3.03 of the Compensation and Benefits Ordinance.** *Assistant Public Works Director recommends the hiring of Michelle Kobeszka, to the full-time position of Dispatch Clerk in Public Works Department (Agency) at a rate of pay of \$15.60 per hour.*

Councilor Vassar moved to approved and authorize the hire of *Michelle Kobeszka* as indicated. Councilor Kuiper seconded. Upon a roll call vote, there were five affirmatives and no negatives. The motion passed. The hiring of Michelle Kobeszka as Dispatch Clerk was approved.

6. **Authorizing the proper officer to publish legal notice of a public hearing to consider additional appropriations in the amount of \$508,480 in the Gaming Revenue Sharing Fund, in the amount of \$197,000 in the Information Communications Technology Fund, and in the amount of \$5,000 in the Town Hall and Monuments Department of the Corporation General Fund.**

Councilor Herak moved to authorize the proper officer to publish legal notice of a public hearing to consider additional appropriations as indicated. Councilor Vassar seconded. Upon a roll call vote, there were five affirmatives and no negatives. The motion passed. The publication for a proposed public hearing was approved.

7. **Works Board Order No. 2016-20:** An Order of the Works Board Accepting and Approving an Agreement from Global Maintenance & Company for Janitorial Services at the Highland Municipal Building and the Highland Public Works Facility.

Councilor Herak moved the passage and adoption of Works Board Order No. 2016-20. Councilor Wagner seconded. Upon a roll call vote, there were five affirmatives and no negatives. The motion passed. The order was adopted.

TOWN of HIGHLAND  
Board of Works  
Order of the Works Board No. 2016-20

AN ORDER OF THE WORKS BOARD ACCEPTING AND APPROVING AN AGREEMENT FROM GLOBAL MAINTENANCE & COMPANY FOR JANITORIAL SERVICES AT THE HIGHLAND MUNICIPAL BUILDING AND THE HIGHLAND PUBLIC WORKS FACILITY

**Whereas,** The Town of Highland has determined to engage contractual janitorial services for cleaning at the Highland Municipal Building and at the Highland Public Works Facility; and

**Whereas,** The Public Works Director had solicited quotes for services to be provided and had received two (2) proposals; and

**Whereas,** Global Maintenance & Company had submitted a proposal to perform janitorial services as outlined in the request for proposals for five (5) days per week service for the Highland Municipal Building and the Highland Public Works Facility in the amount of \$105.00 per day, annualized to \$27,300 per year; and

**Whereas,** Global Maintenance & Company offered and presented an Service Agreement, attached hereto and made a part of this Order, to provide janitorial services as outlined in the proposal, in the total amount of One Hundred Five Dollars and no Cents (\$105.00) per day of service; and

**Whereas,** The Public Works Director, pursuant to §3.05.050(D)(1) of the HMC, serves as the Purchasing Agent for the Public Works Department; and

**Whereas,** The Town Council as the Works Board of the Municipality, pursuant to §3.05.030(A)(1) of the HMC serves as purchasing agency for the Public Works Department; and

**Whereas,** The purchase price exceeds \$15,000.00 and, pursuant to §3.05.040(C) of the HMC requires the express approval of the purchasing agency; and

**Whereas,** There are sufficient and available appropriations balances on hand to support the payments under the agreement, pursuant to IC 5-22-17-3(e); and

**Whereas,** The Town of Highland, through its Board of Works, now desires to accept the recommendation of the Public Works Director to accept the proposal and approve the Agreement from Global Maintenance & Company for janitorial services at the Highland Municipal Building and the Highland Public Works Facility.

**Now, Therefore, Be It Ordered,** by the Town Council of the Highland, Indiana, acting as the Works Board as follows:

**Section 1.** That the Agreement from Global Maintenance & Company for janitorial services at the Highland Municipal Building and the Highland Public Works Facility in the amount of One Hundred Five Dollars and no Cents (\$105.00) per day of service is hereby accepted and approved as the lowest responsive and responsible quote.

**Section 2.** That the Public Works Director is hereby authorized to execute the agreement and all documents necessary to implement the services agreement.

**Be it So Ordered.**

**Duly Adopted,** Resolved and Ordered by the Highland Town Council, Lake County, Indiana, this 23<sup>rd</sup> day of May 2016. Having been passed by a vote of 5 in favor and 0 opposed.

BOARD OF WORKS OF THE TOWN OF  
HIGHLAND, INDIANA

**Bernie Zemen, President** (IC 36-5-2-10)

Attest:

Michael W. Griffin, IAMC/MMC/CPFA/CPFIM/CMO  
Clerk-Treasurer (IC 33-16-4-1;IC 36-5-6-5)

**Comments or Remarks from the Town Council:**

**(For the Good of the Order)**

- **Councilor Mark Herak:** *Budget and Finance Chair • Liaison to the Board of Sanitary Commissioners • Liaison to the Community Events Commission • Liaison to the Board of Waterworks Directors.*

Councilor Herak commended the Town Attorney on the distinction of his law firm, Tauber Law Offices, being named the number one law firm in the most recent TIMES reader poll.

Councilor Herak acknowledged the Public Works Director who reported on a recent technical services meeting convened between the Highland Sanitary District, the Hammond Sanitary District and the U.S. E.P.A., and a subsequent meeting for rate negotiation between the same parties. It was noted that the Highland Sanitary District communicated that there could be no rate changes without a cost of service study.

The Public Works Director also reported that the Kennedy Avenue Water Main Replacement and Improvement Project was 98% completed. He also noted that the 41<sup>st</sup> Street reconstruction would soon be underway following the last day of school.

- **Councilor Dan Vassar:** *• Liaison to the Park and Recreation Board.*

Councilor Vassar acknowledged the Parks and Recreation Superintendent, who reported on summer recreation programming.

- **Councilor Steve Wagner:** *• Advisory Board of Zoning Appeals Liaison.*

Councilor Wagner acknowledged the Building Commissioner, who offered a survey of matters pending before the Advisory Board of Zoning Appeals.

The Building Commissioner reported on the status of the Zoning Code re-composition, noting that there was some work related to sign regulation that remained to be done.

Councilor Wagner also reported that he attended his first meeting of the Board of Directors of the Lake County Solid Waste Management District.

- **Councilor Konnie Kuiper:** *• Town Board of Metropolitan Police Commissioners, Liaison • Fire Department, Liaison • Chamber of Commerce Co-Liaison.*

Councilor Kuiper acknowledged the Fire Chief who reported on several incidents and calls of the Fire Department. The Fire Chief also reported on the support his department provided to the recent NWI Paddling Association Kayak Event on the Little Calumet River and the recent Girls on the Run Events

- **Council President Bernie Zemen:** *Municipal Executive Chamber of Commerce Co-Liaison • IT Liaison • Redevelopment Commission Liaison.*

The Town Council President acknowledged the Redevelopment Director, who reported on the upcoming meeting of the Town Theater Board and the forth coming Car Cruise.

**Comments from Visitors or Residents:**

There were no public comments.

**Payment of Accounts Payable Vouchers.** There being no further comments from the public, Councilor Herak moved to allow the vendors accounts payable vouchers as filed on the pending accounts payable docket, covering the period May 10, 2016 through May 23, 2016 and the payroll docket for May 13 2016. Councilor Wagner seconded. Upon a roll call vote, there were five affirmatives and no negatives. The motion passed. The accounts payable vouchers for the vendor docket were allowed, payments allowed in advance were ratified, the payroll dockets listed were ratified and for all remaining invoices, the Clerk-Treasurer was authorized to make payment.

**Vendors Accounts Payable Docket:**

**General Fund, \$195,493.07; Motor Vehicle Highway and Street (MVH) Fund, \$35,173.77; Local Road and Street Fund, \$1,137.89; Law Enforcement Continuing Education, Training, and Supply Fund, \$1,015.96; Information and Communications Technology Fund, \$5,184.10; 1925 Law Police Pension Fund, \$12,000.00; General Improvement Fund, \$36.00; Traffic Violations and Law Enforcement Agency Fund, \$7,303.50; Gaming Revenue Sharing Fund, \$596.20; Public Safety Income Tax Fund, \$4,694.36; Total: \$262,634.85.**

**Payroll Docket for payday of May 13, 2016:**

**Council, Boards and Commissions, \$0.00; Office of Clerk-Treasurer, \$15,460.40; Building and Inspection Department, \$7,455.79; Metropolitan Police Department, \$118,439.08; Fire Department, \$3,337.84; Public Works Department (Agency), \$63,198.52 and 1925 Police Pension Plan Pension Fund, \$0.00; Total Payroll: \$207,891.63.**

**Announcement of Study Session.** The Town Council President announced that the Town Council would be convening in an additional Study Session immediately following the plenary business meeting.

**Adjournment of Plenary Meeting.** Councilor Vassar moved that the plenary meeting be adjourned. Councilor Kuiper seconded. Upon a vote *viva voce*, the motion passed. The regular plenary meeting of the Town Council of Monday, May 23, 2016 was adjourned at 7:35 O'clock p.m.

*Study Session.* The Twenty-Eighth Town Council of the Town of Highland, Lake County, Indiana met in a study session following the regular plenary meeting on Monday, May 23, 2016 at 7:45 O'clock P.M. in the regular place, the meeting chambers of the Highland Municipal Building, 3333 Ridge Road, Highland, Indiana.

**Silent Roll Call:** Councilors Bernie Zemen, Mark Herak, Dan Vassar, Steve Wagner and Konnie Kuiper were present. The Clerk-Treasurer, Michael W. Griffin was present to memorialize the proceedings. A quorum was attained.

**Additional Persons Attending:** Rhett L. Tauber, Town Attorney; Peter T. Hojnicky, Police Chief; Pat Vassar, Assistant Chief of Police; John Banasiak, Deputy Commander; Sergeant Randy Stewart, F.O.P. President; and Kenneth Balon, Police Pension Secretary; were also present.

**General Substance of Matters Discussed.**

1. At the plenary meeting of May 9, 2016, the Town Attorney recommended that the matter regarding whether to authorize a different benefit for the widow of the late Richard Hawkins from the 1925 Pension Plan than is currently provided, be the topic of a study session with the Town Council. It was determined that a study session immediately following the plenary business meeting of May 23, 2016 would be dedicated to the discussion of this matter.

This study session was in further consideration of the recent request and recommendation from the Pension Fund Board of Trustees to allow for the widow of recently deceased Richard Hawkins, a retiree under the 1925 Police Pension Plan, to receive a survivor's pension based upon the actual pension that Richard Hawkins was receiving prior to his passing. Richard Hawkins was receiving 54% of a First Class Patrol Officer annual salary plus 20 years longevity. It is further noted that under the current ordinance, all surviving spouses receive 50% of a First Class Patrol Officer salary plus 20 years longevity. It was still further noted that the current ordinance provides an amount greater than the statutory minimum of 30%, and that there was language in IC 36-8-6-1.5, of the 1925 Police Pension Law, that bring the 1925 Pension law under the provisions of the Internal Revenue Code governing pension equity. It was noted that the Town Attorney needed to review the provisions to determine whether the request made could be authorized by the Town Council.

The Town Attorney briefed the Town Council regarding a recent consultation with Mary Beth Braitman, an attorney specializing in pensions and pension law from ICE MILLER. Her counsel was engaged regarding the pending question of authorizing a different benefit for the widow of the late Richard Hawkins from the 1925 Pension Plan than is currently provided. The Town Attorney reported that after consultation, it would not be permissible to grant the individual request as posed. He further reported that based upon the consultation, there could be no retroactive modification to the survivors' benefits as it may constitute a recalculation of a pension benefit, which is prohibited. He did further report that it may be possible to create a new class defined as of a date certain and uniformly create a new class, such as granting 100% to the survivor of the benefit being received by the decedent retiree, but it would be prospective. So any survivor who is currently receiving a survivors benefit, could not be affected.

The Clerk-Treasurer provided a report that showed the current benefits and retirees pensions at the current levels. The Clerk-Treasurer also cautioned against moving too fast for the 100% benefit as the remaining retirees were receiving much higher benefits, based upon 59%, 63%, and even 71% of a first class patrol officers' salary plus 20 years longevity. The Clerk-Treasurer indicated that the increase could increase costs significantly making it likely that a greater property tax levy would be required to support the costs, which would reduce the amount of maximum levy available in the Corporation General and the other levy controlled funds.

The Clerk-Treasurer further circulated the following report showing that the state pension relief distributions do not cover all expenses related to retirees and survivors benefits, noting a net underfunding from 2009 through 2015 of (-\$114,244.92).

	2009	2010	2011	2012	2013	2014	2015	
<b>Total Budget</b>	\$ 925,714.75	\$ 849,140.00	\$ 749,675.00	\$ 813,381.39	\$ 783,719.00	\$ 799,076.00	\$ 819,883.00	
Retirees Benefits	\$ 533,780.04	\$ 499,263.49	\$ 489,275.59	\$ 524,000.57	\$ 534,727.08	\$ 549,904.44	\$ 567,611.34	
Survivor's Benefits	\$ 190,323.00	\$ 199,813.40	\$ 210,246.41	\$ 218,218.87	\$ 212,602.32	\$ 212,760.00	\$ 201,787.66	
Death Benefit Paid	\$ -	\$ 12,000.00	\$ 12,000.00	\$ -	\$ -	\$ -	\$ -	
Subtotal:	\$ 724,103.04	\$ 711,076.89	\$ 711,522.00	\$ 742,219.44	\$ 747,329.40	\$ 762,664.44	\$ 769,399.00	
Pension Relief Distribution	\$ 656,073.26	\$ 726,061.43	\$ 684,322.78	\$ 649,792.97	\$ 908,508.62	\$ 677,019.40	\$ 752,290.83	Net Underfunding
Unsupported Portion:	\$ (68,029.78)	\$ 14,984.54	\$ (27,199.22)	\$ (92,426.47)	\$ 161,179.22	\$ (85,645.04)	\$ (17,108.17)	\$ (114,244.92)

The Clerk-Treasurer also circulated the following report to offer an overview of the current status of 1925 Pension Plan and under current ordinance in Highland:

### What is the Police Pension Basis ?

The pension for public safety is based upon the following:

<i>Special First Class Patrol Officer</i>	<b>\$ 64,341.42</b>
Plus Longevity for 20 years	<u>\$ 2,059.20</u>
<i>Our basis</i>	<b>Basis: \$ 66,400.62</b>

#### Retirees 1925 Fund

After 20 years	Fifty Percent	<b>\$ 33,200.31</b>
After 21 years	Fifty-two Percent	<b>\$ 34,528.32</b>
After 22 years	Fifty-four percent	<b>\$ 35,856.33</b>
After 24.5 years	fifty-nine percent	<b>\$ 39,176.37</b>
After 26.5 years	sixty-three percent	<b>\$ 41,832.39</b>
After 30.5 years	seventy-one percent	<b>\$ 47,144.44</b>

#### What the statute says survivors get at minimum

Either Thirty percent (30%) of a First Class Patrol Officer		
Plus Longevity for 20 Years		<b>\$ 19,920.19</b>
or		
Fifty Five Percent of what the retiree actually was receiving, which ever is greater		
If retiree was receiving	survivor at 55%	
After 20 years	Fifty Percent	\$ 18,260.17
After 21 years	Fifty-two Percent	\$ 18,990.58
After 22 years	Fifty-four percent	\$ 19,720.98
After 24.5 years	Fifty-nine percent	<b>\$ 21,547.00</b>
After 26.5 years	Sixty-three percent	<b>\$ 23,007.81</b>
After 30.5 years	Seventy-one percent	<b>\$ 25,929.44</b>

What our ordinance provides **\$ 33,200.31**

We fund the the 1997 Employers Share from the basis above		
Which is 19.7% of the basis times every covered officer		\$ 13,080.92
	<i>Officers covered</i>	39 \$510,155.96
	<i>Officers covered</i>	38 \$497,075.04

<i>Actual First Class Patrol Officer</i>	\$ 58,629.74
<i>Plus Longevity for 20 years</i>	<u>\$ 2,059.20</u>
	<b>\$ 60,688.94</b>

Finally, the Clerk-Treasurer provided a full version of the following report to show history of 1925 Police Pension Plan since 2010.

	Police Pensions in 1925 Plan						Increased due to
	2011 October	2012	2012 REVISED	2013	2014	2015	Longevity 2016
Lowest Pension	\$27,202.24	\$28,682.03	\$ 29,765.16	\$ 30,371.73	\$ 31,256.01	\$ 32,310.16	\$ 33,200.31
Percent increase from prior year	3.9%	9.5%	3.8%	2.0%	2.9%	3.4%	2.8%
Highest Pension	\$38,627.18	\$40,728.48	\$ 42,266.52	\$ 43,127.86	\$ 44,383.53	\$ 45,880.42	\$ 47,144.44

There was a colloquy between and among the police officers present, the Town Council and the Town Clerk-Treasurer regarding how at least to provide something greater than the current survivors benefit for Mrs. Hawkins and for Mrs. Turoci, noting that there could not be a recalculation of the pension benefit by the board. The police officers suggested adding another \$3,000 to the Special First Class Patrol Officer salary that is used as the basis for the pension benefit according to the Town's wage and salary ordinance. The police officers further suggested making the increase effective in July of the current year. Still further, the police officers represented ask the Town Council to consider amending the current code to create a class of survivors in the 1925 Plan that would provide that survivors receive 100% of the benefit that the decedent retiree spouse was receiving prior to death.

It was noted that such a step would increase all existing pensions in the 1925 Plan Fund, and increase the municipality's employer contribution for those covered in the 1977 Plan.

There was no objection to the suggestion by Councilor Herak to obtain an actuarial study on the funding impact of adopting an ordinance that would create a new class of survivors effective as of a date certain, who would receive 100% of the benefit that that the retiree spouse was receiving at the time of their death. It was again noted owing to the legal opinion of the outside counsel, there could be no retroactive class creation that would assist the surviving widows from Chief Richard Hawkins or Chief James Turoci. The clerk-treasurer indicated that he would engage an actuary and commission a report on the matter.

It was further noted that before any action could be taken regarding the suggestion to add \$3,000 to base of the Special Patrol Officer Salary, to increase the pensions midterm, the Metropolitan Police Chief would need to verify that his budget in the Corporation General Fund could absorb and sustain the increase costs he would endure, taking into the account the raises that were given owing to the change in longevity calculations and the new full-time clerk he is seeking for his department.

**Adjournment of Study Session.** There being no further business to be discussed, the Study Session following the regular plenary meeting of the Town Council of Monday, May 23, 2016 was adjourned at 8:45 O'clock p.m.

Michael W. Griffin, IAMC/MMC/CPFA/CPFIM/CMO  
 Clerk-Treasurer